

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7589

BILL NUMBER: SB 525

NOTE PREPARED: Feb 24, 2009

BILL AMENDED: Feb 19, 2009

SUBJECT: Education Issues.

FIRST AUTHOR: Sen. Lubbers

FIRST SPONSOR: Rep. Porter

BILL STATUS: As Passed Senate

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill provides that a contract entered into by a state agency may require the contractor to offer to political subdivisions the services, supplies, or transportation equipment (including buses) that are the subject of the contract under conditions specified in the contract.

The bill requires a political subdivision to consult at least two purchasing cooperatives (if at least two purchasing cooperatives exist), before purchasing a service, supply, or item of equipment, and to maintain records of the consultations.

Effective Date: July 1, 2009.

Explanation of State Expenditures: (Revised) The addition of transportation equipment, including buses, to items that a contractor has to offer political subdivisions should not have any fiscal impact on the state.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) The bill could reduce expenses of local units if they could obtain transportation equipment on the state contract less expensively than they could under a separate contract.

The requirement that a political subdivision consult at least two purchasing cooperatives (if at least two purchasing cooperatives exist) before purchasing a service, supply, or item of equipment, and to maintain records of the consultations could reduce local expenditures.

Explanation of Local Revenues:

State Agencies Affected: Department of Administration.

Local Agencies Affected: All.

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.